



**Orange County Register**

## **Folly of 'Across-The-Board' Budget Cuts**

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For many years, whenever someone in Congress suggested trimming the National Park Service budget, the bureaucracy would immediately propose closing the Washington Monument. Visions of angry tourists consoling broken-hearted children quickly vanquished the ardor of the most committed budget watchdogs.

Gov. Schwarzenegger is obviously employing that strategy when he proposes releasing 22,000 dangerous felons – including burglars, identity thieves and embezzlers – onto California streets and closing some of the most popular beaches in California, all in the name of necessary "across-the-board" budget cuts.

"Across-the-board" cuts are the most stupid conceivable way to make budget reductions, because they treat the highest of state priorities the same as the lowest. Instead of making 100 percent cuts in utterly indefensible expenditures, like tuition subsidies for illegal immigrants and a vast array of duplicative or obsolete state programs, the governor proposes throwing the prison doors open.

Yet he refuses even to consider the obvious question: Why has the average annual cost of housing a prisoner climbed from \$32,000 to \$42,000 during the four-plus years of this administration, while Florida spends \$19,000 and even the federal prison system costs just \$25,000?

Last April, the governor ignored pleas to save \$7 billion in prison construction costs and \$1 billion in annual operating expenses by contracting out 50,000 prison beds – a common practice by other states including Florida, New York, Texas and Michigan. Instead, he approved a law that very cleverly makes it impossible for California to contract out more than a few thousand beds.

So just who does the governor think he's kidding? Californians have given him an entire finance department to prepare serious budget reforms, and yet we're expected to believe that a preposterous threat to release thousands of dangerous felons is the only solution to the state's runaway spending.

Indeed, according to his own Department of Finance, this year his government will consume the largest portion of your earnings in its history, \$9.58 of every \$100 of Californians' personal income. When he was recalled, former Gov. Gray Davis was spending \$8.78 of every \$100.

During the Pat Brown administration in the 1960s, state government spent less than \$6.76 of every \$100 that people earned. Those were hardly lean years: California had no trouble housing all its inmates, operating legendary state beaches while also providing the finest public university system in the country, the finest highway system in the world, abundant affordable housing and water and electricity so cheap that many communities didn't measure the stuff.

The budget that Gov. Schwarzenegger signed in August authorized general fund spending of \$103 billion. Gray Davis' last budget weighed in at \$78 billion. During the 2003 recall campaign, Schwarzenegger never suggested that Davis' budget was so slender that he'd have to flood California's streets with convicts. On the contrary, he called that budget "bloated."

Despite the governor's assurance that his new budget doesn't raise taxes, it, in fact, includes at least a half-billion dollars of new levies, including \$125 million a year on homeowner insurance policies and \$385 million a year on vehicles.

Nor has the governor shaken his reliance on Enron-style accounting. The new proposed budget still depends on borrowing an additional \$3.3 billion to pay for ongoing programs, suspending \$1.5 billion in scheduled debt repayments and using \$2 billion in accounting gimmicks to claim estimated future revenue as part of the current year's receipts.

The glaring and inescapable conclusion is that this is not the serious and carefully considered budget that the crisis demands, and the public expects, but, rather, a ham-handed attempt to employ the Washington Monument strategy to excuse four years of fiscal mismanagement.

California deserves better.